

**APPROVED**  
**AFFORDABLE HOUSING ADVISORY COMMITTEE**  
**MEETING MINUTES**  
**CITY OF FORT LAUDERDALE**  
**100 NORTH ANDREWS AVENUE**  
**8<sup>TH</sup> FLOOR CONFERENCE ROOM**  
**MONDAY, JULY 11, 2016 – 9:00 A.M.**

<b>Board Members</b>		<b>Attendance – July 2016 through June 2017</b>	
		<b>Present</b>	<b>Absent</b>
Roosevelt Walters, Chair	P	1	0
Edwin Parke	P	1	0
Brian Poulin	P	1	0
**Skeet Jernigan	P	1	0
Peter Cooper	P	1	0
*Katharine Barry ( <i>Appt. 1/5/16</i> )	P	1	0
*Mitchell Rosenstein ( <i>Appt. 2/2/16</i> )	P	1	0
*Fran Epstein ( <i>Appt. 6/16</i> )	P	1	0

\*Members were appointed after July 2015

\*\*Skeet Jernigan reinstated 04/29/2016 per Vice Mayor Dean Trantalis

At this time, there are 8 appointed members to the Board, which means 5 would constitute a quorum.

**Staff**

Jonathan Brown, Northwest CRA Manager/Housing and Community Development Manager

Claudia Goncalves, Housing Rehabilitation Financial Aide

Lynn Solomon, Assistant City Attorney

Mona Laventure, Prototype, Inc.

**Communication to the City Commission**

None.

**I. ROLL CALL / DETERMINATION OF A QUORUM**

Chair Walters called the meeting to order at 9:07 a.m. Roll was called and it was noted a quorum was present.

**II. APPROVAL OF MINUTES – JUNE 13, 2016**

**Motion** made by Mr. Parke, seconded by Mr. Poulin, to accept.

Chair Walters advised that there appeared to be issues with June 13, 2016 minutes as provided to the Committee. Mr. Brown replied that Staff would follow up on this issue and present the June 13 minutes for approval at the next scheduled meeting.

In a voice vote, the **motion** failed 2-6 (Chair Walters, Ms. Barry, Mr. Cooper, Ms. Epstein, Mr. Jernigan, and Mr. Rosenstein dissenting).

**Motion** made by Mr. Poulin, seconded by Mr. Jernigan, to delay the approval of the meeting minutes until the September meeting. In a voice vote, the **motion** passed unanimously.

### **III. OLD BUSINESS**

- **Final Affordable Housing Trust Ordinance Review**

Mr. Brown explained that in the past, Staff had not invited representatives of the City Attorney's Office to be present at Committee meetings because members of the Committee had not raised or submitted any legal questions to which these representatives might need to respond. The questions raised by the Committee were related to policy issues rather than legal matters.

Mr. Brown continued that from this point on, Staff will review the draft Ordinance proposed by the Committee in relation to the affordable housing policy adopted by the City Commission to ensure that there are no inconsistencies between the two. If inconsistencies exist, the Committee may need to discuss them further.

Chair Walters stated that he had hoped the City Attorney's Office and the Committee would be in agreement upon the draft Ordinance to be presented to the City Commission. He had also believed that Staff was relaying policy questions as well as legal questions to members of the City Attorney's Office, as he felt the Committee had raised legal questions regarding policy, including why certain changes were recommended. He concluded that a letter was sent to the City Commission along with the draft and amended Ordinances because these questions were not answered.

Mr. Brown observed that concerns raised by the Committee in the past were addressed by the City Manager's Office rather than the City Attorney's Office. Before the draft Ordinance can be sent to the City Commission, it must also be approved through the City Manager's Office, which submits the document to a number of different City Departments for review. He emphasized the importance of the draft Ordinance's consistency with the City's affordable housing policy, but clarified that no legal questions were raised regarding the draft document.

Mr. Jernigan stated that the Committee had made a motion or official request for input from the City Attorney's Office, preferably during a meeting format so the Committee could exchange or clarify their ideas regarding why certain policies were included in the

draft Ordinance. He noted that the draft Ordinance was written by a member of the City Attorney's Office; because he was not aware which individual had drafted the document, he felt the best way to address this issue was through discussion with representatives of that office.

Mr. Brown reiterated that Staff had not invited representatives of the City Attorney's Office to past meetings. Mr. Poutin asserted that the Committee had requested the invitation of these representatives, and had scheduled a special meeting in which to meet with them, which members of the City Attorney's Office did not attend. Mr. Brown characterized the special meeting as between the Committee and Housing and Community Development Staff rather than members of the City Attorney's Office, as no legal questions had been raised. Mr. Poutin did not agree with this characterization, and pointed out that the Committee had wished to address their policy questions to the City's Attorney's Office.

Assistant City Attorney Lynn Solomon stated that the changes she made to the Committee's draft Ordinance were not legal mandates, but were recommendations. She explained that she had reviewed other Affordable Housing Trust Ordinances, as well as the City's Cemetery Ordinance, from which she had appropriated some of the language she recommended; however, she emphasized that if the Committee wished to remove this recommended language, they may do so.

Attorney Solomon continued that she had reviewed the draft Ordinance provided to the City Commission by the Committee and had no issues with the document, nor did the City Attorney's Office have any opposing recommendations. She concluded that while she had intended to facilitate the process by providing the Committee with recommendations, the Committee was not obligated to consider these recommendations.

Mr. Poulin stated that the recommendations provided by Attorney Solomon were not presented to the Committee as recommendations only. He apologized if a misunderstanding between the Committee and the City Attorney's Office had occurred.

Mr. Cooper asked if the draft Ordinance submitted by the Committee was in conflict with the City's existing affordable housing policy, and observed that it would have been helpful for the Committee to see a copy of this policy before drafting its Ordinance. Mr. Brown replied that the Committee had been instrumental in the drafting of this City policy; once the Committee made its recommendations, they were submitted as an exhibit to the City Commission Agenda Item on affordable housing.

Mr. Rosenstein observed that the Committee had only recently learned that the City Manager's Office had made changes to the draft Ordinance. He felt the Committee's sense of frustration stemmed from their inability to identify the source of or impetus behind these changes, and reiterated that the Committee wished to speak with the entity responsible for these changes in order to more clearly understand their position.

Mr. Brown clarified that the Committee's draft Ordinance may be sent to the City Commission; however, it is Staff's responsibility to highlight any discrepancies between the draft Ordinance and the City's affordable housing policy. He added that he, Staff Liaison Avis Wilkinson, and Attorney Solomon all contributed to the recommended changes to the document.

Chair Walters asserted that there should not be multiple or competing drafts of the Ordinance, but that only the version the Committee expects the City Commission to adopt should be sent to them. Mr. Brown advised that the issue is that although the City Manager does not wish to include a reference to proceeds from commercial and industrial properties in the Ordinance, the Committee's draft has included this reference anyway. He concluded that it is Staff's responsibility to point out this difference to the City Commission in order to provide greater clarity for their decision.

Ms. Barry noted that if only interest revenue on City investments is spent, it will total less than \$50,000 per year, which is negligible in proportion to needs. If the Ordinance is to have meaningful impact, enough revenue must be generated to replace the principal that is spent on affordable housing. Mr. Brown responded that the City receives \$1 million per year in State Housing Initiatives Partnership (SHIP) funds for affordable housing, as well as other sources of funds. Ms. Barry pointed out that these funds would not constitute new money, but instead represented a diversion from their current use.

Mr. Jernigan asserted that there is no interest from the City administration and/or City Commission to do more to address affordable housing needs. He felt the only way to increase the amount of money in the Affordable Housing Trust Fund is through the sale of City-owned commercial and industrial properties; however, the Committee has experienced resistance to this and other suggestions regarding how to increase funds for affordable housing.

Mr. Jernigan cited the example of placing 15% of the appreciated value of a sold property into the Trust Fund, which was removed from the Committee's recommended policy by the City Manager's Office. He stated that the Committee wishes the draft Ordinance to be presented to the City Commission as written, which would place net proceeds from the sale of commercial or industrial lots into the Affordable Housing Trust Fund. Attorney Solomon explained that the intent of the recommended change was to refer to a separate restricted account for eligible affordable housing activities. Mr. Jernigan declared that the Committee's intent was not to establish a separate account, but to place all funds raised by the sale of City properties into the Trust Fund.

Mr. Jernigan asked which other Ordinances were reviewed by Attorney Solomon in order to make recommended changes to the Committee's draft Ordinance. Attorney Solomon replied that she had reviewed language used by SHIP, the city of West Palm Beach, and the Cemetery Trust Fund. She stated once more that the recommendations

were not intended to be seen as legal mandates, but as issues the Committee may wish to consider.

Chair Walters requested clarification of the status of the Committee's draft Ordinance, particularly in relation to City policy. Mr. Brown explained that while Staff does not intend to amend the draft Ordinance, they must identify any differences between the affordable housing policy approved by the City Commission and the Committee's draft Ordinance. Once these differences have been identified, the Commission may discuss what they wish to include in the final Ordinance.

Mr. Rosenstein commented that one recommended change to the draft Ordinance would limit the Affordable Housing Trust Fund to use with developments that cap their percentage of affordable housing units. This would preclude the leveraging of successful subsidy programs with use of the Trust Fund. It was clarified that the Committee members had received multiple versions of the draft Ordinance with proposed amendments, which contributed to confusion. Attorney Solomon stated that she would prepare a working draft for the Committee to review based on today's discussion, subject to final approval.

Mr. Brown addressed Mr. Rosenstein's comment, noting that the U.S. Department of Housing and Urban Development (HUD) is concerned with the potential for concentration of very low- and low-income housing in a single area. He advised that he would provide additional information on this issue to the members.

Mr. Rosenstein continued that his concern was for the effect the recommended language would have on market-rate developments as opposed to affordable, supportive, or veterans' housing developments. Mr. Brown clarified that the draft Ordinance is not yet on a City Commission Agenda; however, he recalled that the Committee had sent a communication to the City Commission, which may or may not have included the draft Ordinance as an attachment.

Chair Walters noted that the communication will be discussed at the City Commission Conference Agenda meeting on Tuesday, July 12, 2016 at 1:30 p.m. He encouraged all Committee members to attend this meeting with him in order to share their collective knowledge and experience with the Commission if needed.

Mr. Parke requested information on the approval process for the draft Ordinance. Mr. Brown replied that when the affordable housing policy went to the City Commission for approval, the Committee raised the possibility of establishing an Ordinance. The City Attorney's Office was brought into the process to assist at this time. The City Manager has final approval over what is placed on the City Commission's Agenda, and the City Commission will have final determination of what is approved.

Mr. Jernigan stated his dissatisfaction with this process, which he felt would make it difficult for the Committee's draft Ordinance to go before the City Commission. Mr.

Brown advised that the Committee has held workshops with the City Commission in the past, and has made their wishes clear. The final policy decision will ultimately be made by the Commission.

Ms. Epstein asked if the Committee had access to financial information that would support their recommendation of a 15% allocation to the Affordable Housing Trust Fund. Chair Walters stated that there are studies to support this recommendation. He added that he was hopeful that the Committee would arrive at a draft Ordinance, with the assistance of Staff and the City Attorney's Office, which would reflect their concerns and suggestions to the City Commission. He spoke strongly in favor of distributing affordable housing throughout the entire City rather than concentrating it in a single area.

Ms. Barry observed that while a report by Florida International University (FIU) on affordable housing was not helpful, the United Way's Asset Limited, Income Constrained, Employed (ALICE) Report reflects the cost burden on the working poor throughout the state of Florida. Mr. Brown suggested reviewing the City's census data, which reflects a concentration of low-income housing in Commission District 3. He recommended that the Committee keep this in mind when making any proposals, as it could be problematic in light of HUD policy.

Mr. Jernigan commented that he was less concerned with location or concentration of low-income housing than with the need to identify a funding stream for this need. He stated that he would like the corpus language removed from the proposed Ordinance. Attorney Solomon confirmed that this language would not appear in the working draft.

Mr. Jernigan reiterated Mr. Rosenstein's concern regarding language on a percentage cap for affordable housing as well. Mr. Poulin added that if a developer wished to build affordable housing in a non-concentrated area, such as the beach, that developer should not be limited to a certain percentage of affordable housing; however, he was not certain this was an Ordinance issue, as a developer applying for affordable housing funds must follow stringent approval processes.

Attorney Solomon advised that the draft Ordinance had included language allowing affordable housing to consider up to 140% of median income, and she was not certain that HUD would allow funding for some such projects. Mr. Brown added that the Committee could act as a reviewing body for affordable housing projects, which would allow them to discuss concentration and percentages in certain areas.

Chair Walters asked how the Committee could best express its concerns with the draft Ordinance at the June 12 City Commission meeting in light of today's discussion. Mr. Brown replied that Staff would review the differences between the draft Ordinance and the recommended changes, and would prepare an Agenda Item on these differences for discussion at the September Committee meeting. Chair Walters stated that he would like the Committee to see drafts including the differences prior to the September meeting.

Mr. Brown clarified that the Item before the City Commission at their June 12 meeting would be the Committee's communication to the City Commission.

#### **IV. NEW BUSINESS**

- **CRA Updates – Jonathan Brown**

Mr. Brown reported that the City Commission, acting in its capacity as the Northwest Progresso-Flagler Heights Community Redevelopment Agency (CRA) Board, has approved new and revised incentives for the CRA, including the following:

- Commercial Façade Improvement Program: establishes a focus area along Sistrunk Boulevard in which a greater level of assistance may be provided to businesses;
- Property and Business Improvement Program: includes additional information regarding the establishment of a restaurant district, as well as an eligible area and the amount of assistance provided;
- Streetscape Improvement Program;
- Development Incentive Program: provides assistance to businesses with projects costing \$5 million or more;
- Property Tax Reimbursement Program;
- Residential Rehabilitation Program;
- Purchase Assistance Program.

Mr. Brown concluded that these commercial and residential incentive programs will coincide with housing efforts in the Northwest CRA. He reviewed some of the projects both forthcoming and underway within the Northwest CRA, which are expected to create job opportunities for residents of both the CRA and Fort Lauderdale. He noted that the Residential Rehabilitation and Purchase Assistance Programs may extend to residents earning up to 160% of the average median income within the CRA. This is because affordable housing programs already exist to assist low- and very low-income residents.

Mr. Jernigan asked how the City monitors its affordable housing requirements from developers who have made certain commitments, adding that he would like to see these monitoring reports. Mr. Brown replied that he would look into the processes undertaken by Housing and Community Development, noting that he was not aware of the other monitoring processes the City may use.

The Committee briefly discussed the goals of the new and revised incentive programs, as well as the demographic groups they hope to target.

#### **V. AGENDA TOPICS FOR NEXT MEETING**

None.

**VI. GOOD OF THE ORDER**

None.

**VII. NEXT SCHEDULED MEETING DATE – September 26, 2016 – City Hall, 1<sup>st</sup> Floor City Commission Chambers**

**VIII. ADJOURNMENT**

There being no further business to come before the Board at this time, the meeting was adjourned at 10:33 a.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

[Minutes prepared by K. McGuire, Prototype, Inc.]